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NEW YORK TIMES
22 APRIL 1981

Text of Final Justice Department Report on Billy Carter's Relations With Libya

Special to The New York Times

WASHINGTON, April 21 — Following is the text of the final Justice Department report, made public today, on the investigation into Billy Carter's relations with Libya:

Introduction

This is the final report of the Counsel on Professional Responsibility which is being furnished pursuant to Department of Justice Order No. 907-80, dated Aug. 1, 1980, signed by then Acting Attorney General Charles B. Renfrew. Under the terms of that order, the Counsel on Professional Responsibility was directed "to investigate for criminal, civil and administrative purposes, any offenses arising from the activities of 'Billy' Carter in acting as an alleged agent of the Libyan Government." On Oct. 29, 1980, we forwarded a "Status Report" regarding this investigation to the Solicitor General. Although the majority of the investigation had been completed as of that date, that report was nevertheless considered to be a "Status Report" because several critical interviews, as set forth below, had not been conducted.

Additional Investigative Steps Taken

Since the transmittal of our first report, the office has conducted those several additional interviews, an analysis of which warrants concluding this investigation. After a review of Presidential records by this office, President Carter was interviewed under oath about the extent of his knowledge of Billy Carter's activities, his access to intelligence reports involving Billy Carter, discussions with Dr. Brzezinski and Attorney General Civiletti about Billy Carter, and any attempts on the part of Carter family members to influence the President to release aircraft to Libya.

Also, Dr. Brzezinski was reinterviewed. He was questioned as to the extent of the intelligence information available to him regarding Billy Carter and his dissemination of that information to the President, Billy Carter, and others. We were finally able to interview William Eagleton, former American chargé d'affaires stationed in Tripoli, but currently stationed in Baghdad, Iraq, regarding his observations of Billy Carter's activities and statements while in Libya in 1978 and 1979. Moreover, Richard Gardner, American Ambassador to Italy, was questioned about Mr. Carter's actions while in Rome, immediately prior and subsequent to his Libyan visits.

Several other interviews were conducted to obtain additional background information. Finally, Michele Papa, a Sicilian attorney and reputed Libyan agent, was interviewed and questioned about his reasons for seeking out Billy Carter and inducing him to travel to Libya. This office was precluded from interviewing high level Libyan officials because of the current state of relations existing between the United States and the Government of Libya.

Summary of Additional Investigation

On Dec. 19, 1980, then President Jimmy Carter was interviewed under oath at the White House. (His testimony was taken in the presence of Lloyd Cutler and Alfred Moses, both appearing as consultants on behalf of the President, and Presidential Deputy Counsel Michael Cardozo and Joseph N. Onek.)

In response to questioning, President Carter stated that he had no advance warning, and little direct knowledge, of Billy Carter's dealings with the Libyans. With respect to Billy Carter's first trip to Libya, in 1973, President Carter stated that he first learned of his brother's trip from his secretary, who informed him that Billy was already en route to Libya.

Other than directing Dr. Brzezinski to remind the State Department that Billy Carter was not an official representative of the United States Government, President Carter did not recall issuing any directives regarding his brother's trip. The President stated that he had had no prior conversations with Billy Carter regarding his 1978 trip to Libya. He also said that he was unaware prior to the summer of 1980 that Billy had been invited to Libya by Gibril Shalouf, the Libyan Ambassador to Italy, who had visited Billy Carter in Plains, Georgia, in mid-1978.

With respect to Billy Carter's second trip to Libya, in 1979, President Carter stated that he had learned of this trip only after it had been publicly announced in the news. (The President did relate that in February, 1979, when Billy Carter was hospitalized for alcoholism in Americus, Georgia, Billy told him that he was contemplating a second trip to Libya. The President told his brother that such a trip would be un-

wise because of the threat to Billy's health and the embarrassment it could cause to them both.) The President stated that he at no time discussed the release of aircraft to Libya with his brother and that he did not receive any pressure from any family member regarding the release of such aircraft.

Issue of Hostages in Iran

With respect to the use of Billy Carter in November, 1979, in initiating contacts with Libyan diplomats to secure the release of the American hostages in Iran, President Carter stated that the sole reason for using Mr. Carter was because of the latter's special friendship with the Libyans. The President referred to the Government's relations with Libya at the time as "proper" but "cool," and he believed that his brother could be used to achieve personally what might not be achieved through normal diplomatic channels. Billy's only action in this matter, according to the President, was to arrange for a meeting between Dr. Brzezinski and the Libyan chargé to Washington.

When asked whether he had considered that the use of Billy Carter in this manner might enhance his prestige with the Libyans, President Carter responded that, in retrospect, it is obvious that it would have had some positive effect. He added, however, that since Billy Carter's reputation with the Libyans was already established, he did not at the time focus upon the likelihood that Billy's use as a personal emissary would increase his stature with the Libyans.

The President indicated that he had no knowledge at that time that his brother had been engaged in prolonged business negotiations with the Libyans, nor that he was seeking a substantial loan from them. Mr. Carter stated that he first learned of these facts during the early summer of 1980, when these matters became public.

With respect to the President's conversation with then Attorney General Benjamin Civiletti regarding the Justice Department's investigation of Billy Carter, the President confirmed Mr. Civiletti's recollection of that conversation. He recalled that the Attorney General told him that the Justice Department was encouraging Billy to file as an agent for Libya, that Billy had so far refused, and that the department disagreed with his position. The President recalled asking whether there would be any criminal charges brought if his brother filed the required statement, and the Attorney General

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